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ADM Breaks Ground on Biodiesel Plant in Velva

Archer Daniels Midland broke ground on April 24 for the company's new 85-million gallon biodiesel plant adjacent to its oil crushing plant at Velva. It will employ dozens in the construction phase and create 12 full-time jobs when operational.

The new facility will convert canola oil from the oil-crushing plant into biodiesel fuel and use the equivalent of 1,000,000 acres of canola annually, adding further value to the crop. The oil-crushing facility has already helped to triple production of canola in the region by providing a local market for canola oil.

Commerce Welcomes Three New Members

The Economic Development & Finance Division of the Department of Commerce welcomes three new members to its team. They include Liz Larkin as vice president of business development (701-328-5322 or llarkin@ state.nd.us); Titus Williams as credit analyst with the North Dakota Development Fund (701-328-5349 or tmwilliams@ state.nd.us); and Joe Cicha as a research analyst (701-328-7283 or jcicha@state.nd.us). Contact Liz, Titus, Joe or any staff member with your questions and welcome these three to Commerce!



BUSINESS HOTLINE: 1-866-4DAKOTA

(1-866-432-5682)

Linda Butts Named Senior Commerce Advisor

As Commerce Commissioner, I've spoken to many of you about our need to support and nurture innovation and entrepreneurship in our state. Effective June 16, I have appointed Linda Butts as senior Commerce advisor and asked her to develop new strategies to promote innovation and entrepreneurship.



Shane Goettle, Commerce Commissioner

Linda will work closely with the University System on the Centers of Excellence program to build stronger connections between the private sector and research capacities in the state. She will examine best practices in other states that have formal programs in place for innovation and entrepreneurship. She will also continue to provide leadership on energy development and will manage the state's growing Ambassador Program, which she initiated.

Linda is currently director of the Economic Development and Finance division at Commerce. She is the longest-serving and first woman to serve as director of the state's economic development division. I will announce a formal search for her replacement soon, and Paul Govig, deputy director of Commerce, will serve in the interim.

EERC Breaks Ground for National Hydrogen Center of Excellence

Officials broke ground in April for the UND Energy and Environmental Research Center's (EERC) National Center for Hydrogen Technology in Grand Forks. The North Dakota Centers of

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Excellence Commission, the selection body for the Governor's Centers of Excellence program, recommended the EERC be awarded \$2.5 million toward the building of a new \$3 million facility for its National Center for Hydrogen Technology (NCHT).

The city of Grand Forks also awarded the EERC \$500,000 to provide a total of \$3 million. More than \$8 million in matching funding for the Centers of Excellence grant will be used for research activities at the new center. The 15,000-square-foot NCHT facility is expected to create 100 new high-paying technical jobs and attract \$50 million in research contracts in the short term. The EERC was designated the National Center for Hydrogen Technology by the U.S. Department of Energy (DOE) in November 2004 in recognition of over 50 years of hydrogen research involving fossil fuels and renewable energy.

State Leaders Launch Business Hotline

Gov. John Hoeven, House Majority Leader Rick Berg and North Dakota Department of Commerce Commissioner Shane Goettle kicked off the 2006 Business Congress in April by launching a new service for businesses that makes the wealth of information, program assistance and expertise in state government available through one simple phone call. The North Dakota Business Hotline is a toll-free number, 866-4DAKOTA (866-432-5682), that will connect people to the storehouse of business information that exists in state government. The Business Hotline was one of the initiatives conceived at the 2004 Business Congress organized by Berg. It was passed as a legislative directive during the 2005 session for the Department of Commerce to implement.

Economic Development Roundtable Held

Commerce Commissioner Shane Goettle, along with other state officials, hosted an Economic Development Roundtable on May 11, at the North Dakota Department of Commerce.

Officials joining Goettle included Cory Fong, Tax Commissioner;

Eric Hardmeyer, president of the Bank of North Dakota; Maren Daley, executive director of Job Service North Dakota; and Clare Carlson, director of USDA Rural Development.

The roundtable was created in response to requests from seasoned economic developers to have more opportunities to discuss issues with state leaders who most frequently work on economic development projects. About 20 developers from across the state attended the session. Another Economic Development Roundtable will be held in November.

2005 ND Tourism Advertising Yields \$88 Million

A \$1.08-million investment in North Dakota tourism advertising brought \$88 million to the state in 2005, according to research by Longwoods International, a leading travel industry market research company. Each dollar spent on paid media in 2005 brought in more than \$81 in visitor spending. This is a nearly 50 percent increase in return on investment from 2004, when each dollar created \$55 in visitor spending.



"The 2005 research showed that our 'Legendary' campaign continues to be very effective. The 2006 campaign will continue to focus on North Dakota's culture and history, beautiful scenery, and events and attractions. In addition, a study of out-of-state visitors to North Dakota conducted by Longwoods International shows people who live close to our borders are interested in coming here for a weekend getaway

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of shopping, dining, and special events. We expanded our 2006 'Legendary' campaign to target that potential market as well," said Tourism Division Director Sara Otte Coleman.

FPL Breaks Ground For New Wind Farm

Gov. John Hoeven and executives of Florida Power and Light (FPL), Minnesota Power, and Allete, Inc., along with the state's congressional delegation and city and county officials, broke ground for a new 50.6 megawatt wind farm in Center. The new facility's 22



Five years ago, there were a handful of wind facilities in North Dakota, generating less than one half a megawatt of power. Today, there are five new wind energy projects underway in the state, with a combined production capacity of more than 330 megawatts.

turbines will generate enough electricity to power more than 16,000 homes.

"Projects like this one – as well as those in Velva, Wilton, Edgeley and Kulm – are just what we had in mind when we initiated tax credits and other measures to create a favorable business climate for wind energy in North Dakota," Hoeven said. "These state incentives, along with our aggressive efforts to work with wind energy developers, have resulted in five wind farms currently under development across North Dakota."

International Trade Missions Yield Results

Lt. Gov. Jack Dalrymple, North Dakota Trade Office officials and

members of recent trade missions to Southeast Asia and Australia say going the distance for new customers is paying off with substantial business. Dalrymple, in conjunction with the North Dakota Trade Office, led a group of 11 North Dakota companies to Australia March 2-12, and a second trade delegation representing eight businesses — six of which produce and market value-added crops — to Singapore, Malaysia and Thailand on March 12-18.

North Dakota businesses that participated in the trade mission to Australia report their export expansion efforts will collectively yield \$9.3 million in sales during the next 12 months. Three companies sold about \$830,000 of equipment, but the mission's greatest success is expected to come in the form of future sales through distributorships and from future manufacturing and service orders, said Susan Geib, executive director of the North Dakota Trade Office. Information about the North Dakota Trade Office and the state's export markets is available at www.ndto.com.

Over \$155,000 is Available in "Partners" Grants

A total of \$94,419 has been approved for economic development marketing at the local and regional level through the state's Partners in Marketing grant program. This leaves just over \$155,000 of the \$250,000 appropriated for the 2005-2007 program implemented through the North Dakota Department of Commerce.

Thirteen communities and another 13 counties have been approved for funds in the first 10 months of the 2005-2007 biennium. These dollars – like all Partners in Marketing funds – have been or will be used for collateral materials, advertising, trade missions or specialty events. Each applicant can apply for up to 90 percent of the project budget from Partners in Marketing funds. Applicants are limited to a total of \$25,000 in





the 2005-2007 biennium. For an application and a list of guidelines for the Partners in Marketing program, visit the "Partner System" at www.growingnd.com or contact Tracy Finneman at tfinneman@state.nd.us or 701-328-5352.

Martin Leaves SBDC, Joins Impact Foundation

As of May 1, Christine Martin-Goldsmith moved from the Small Business Development Center (SBDC) State Director position to become the Program Director for the Impact Foundation. During the interim, Ron Newman of the Dickinson SBDC center will act as State Director for the North Dakota SBDC system.

As program director for the Impact Foundation, Christine will work directly with small businesses throughout rural areas across the state, including CONAC, Empowerment Zone, REAP zones, and the reservations, assisting them in obtaining new or additional government contracts. Christine will also direct the North Dakota American Indian Business Development Office, facilitating partnerships between American Indian and non-American Indian businesses with the ultimate goal of increasing access to procurement awards. These new programs are funded through partnerships between the North Dakota Department of Commerce, Dakota Certified Development Corporation, USDA, and the Impact Foundation.

Hoeven, GRE, Headwaters Break Ground for Blue Flint Ethanol Plant in Underwood

Gov. John Hoeven, along with CEO Dave Saggau and Chairman Henry Hanson of Great River Energy, and CEO Kirk Benson of Headwaters, Inc., broke ground for the companies' new Blue Flint ethanol plant at Coal Creek Station in Underwood. The project reflects a partnership that will use affordable North Dakota coal to convert North Dakota corn into renewable fuel. The \$85-million facility will employ 37 full-time employees when fully operational in the first quarter of 2007. The plant will use 18 million bushels of corn annually, and produce enough

feedstock as a byproduct of the ethanol-making process to feed 225,000 head of cattle. The facility and allied commercial activity will have a total economic impact on the area of \$160 million, according to Hoeven.

Officials Announce 100-Million Gallon Ethanol Production Facility Near Hankinson

Officials of US BioEnergy announced plans to construct North Dakota's largest ethanol plant near Hankinson, N.D. Contingent on zoning, permitting and tax incentives, US BioEnergy, which has partnered with Gold Energy, LLC, intends to construct a 100-million gallon-per-year ethanol plant. A plant this size will consume about 37 million bushels of corn and will produce 320,000 tons of distiller's grain annually. The \$145 million project will employ 40-45 full-time workers with an annual payroll of \$2.4 million.

North Dakota provided project assistance through the Department of Commerce and the Bank of North Dakota, including the Commerce Department's Development Fund and Agricultural Products Utilization Commission, as well as BND's New Venture Fund, MATCH and PACE programs. The North Dakota Department of Transportation assisted with transportation planning and road improvements. In addition, Wahpeton Economic Development and the Lake Agassiz Regional Council worked closely with the partners on this project.

EDND Plans Summer Meeting June 12-14

The Economic Development Association of North Dakota (EDND) will host its annual summer conference June 12-14 in Beulah, ND. The theme, "A Visit to the Energy Treasure in America's Heartland," captures the focus of activities for the three-day event. Highlights include a panel discussion on the Coal Country Initiative, an energy tour, cold call training and a legislative panel discussion. For more information, visit www.ednd.org.